



# WINE & GRAPE PRODUCTION TAX CREDIT PROGRAM

## MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

### **PURPOSE**

Assist vineyards and wine producers with the purchase of new equipment and materials by granting a tax credit for a portion of the purchase price.

The Missouri Department of Economic Development (DED), will issue a state tax credit to an individual, partnership or corporation in an amount equal to 25% of the purchase price of new equipment and materials used directly in the growing of grapes or the production of wine in Missouri.

### **AUTHORIZATION**

Section 135.700, RSMo

### **ELIGIBLE AREAS**

Statewide.

### **ELIGIBLE APPLICANTS**

Missouri individuals or businesses.

### **ELIGIBILITY CRITERIA**

An individual or business must be actively involved in the production of wine or the growing of grapes in the state of Missouri.

### **PROGRAM BENEFITS/ELIGIBLE USES**

This tax credit can be applied to:

- Ch. 143 – Income tax, excluding withholding tax

This credit has no special attributes. It must be applied to tax liability for the year it was earned.

### **APPLICATION/APPROVAL PROCEDURE**

An application must be filed with DED. There are no deadlines. DED will issue a tax credit certificate authorizing the applicant to claim the tax credits.

### **REPORTING REQUIREMENTS**

The "Tax Credit Accountability Act" reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

The Agricultural Category of tax credits, which includes the Wine and Grape Production program, requires recipients to annually report to DED for three (3) years following the date of issuance of the tax credits, the following information:

- Type of agricultural commodity
- Amount of contribution
- Type of equipment purchased
- Name and description of facility, except that if the agricultural credit is issued as a result of a producer member investing in a new generation processing entity, then the new generation processing entity, and not the recipient, shall annually, for a period of three years following the issuance of tax credits provide the information.

### **SPECIAL PROGRAM REQUIREMENTS**

Equipment and materials must be new purchases. The purchase price is the selling price of the new equipment and materials, excluding sales tax, delivery cost, shipping and handling costs, installation costs, and other unrelated costs.

The new equipment and materials must be:

- Used on land owned or leased for the purpose of producing wine or growing grapes; and
- Used directly in the production of wine or growing of grapes in the state of Missouri.

The new equipment and materials will be considered used directly based upon:

- Where the item in question is used;
- When the item in question is used; and
- How the item in question is used to produce wine or grow grapes.

### **CONTACT**

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